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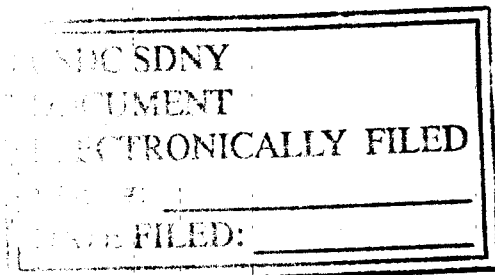
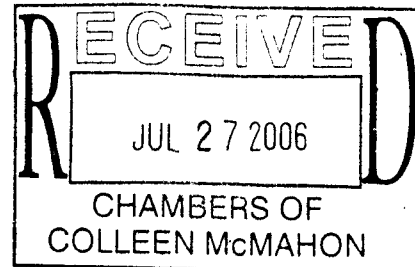
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July 27, 2006



MEMO ENDORSED

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VIA FACSIMILE

The Honorable Colleen McMahon
United States District Judge
United States Courthouse
300 Quarropas Street, Room 533
White Plains, New York 10601

7/25/06
Excellent!
I am happy to
assist
CR

Re: *In re Veeco Instruments Inc. Securities Litigation*, MDL No. 7:05-MD-01695 (CM); *Huneke v. Braun, et al.*, No. 7:05-CV-10224 (CM); *Schupp v. Braun, et al.*, No. 7:05-CV-10225 (CM); *Altman v. Braun, et al.*, No. 7:05-CV-10226 (CM)

Dear Judge McMahon:

We write to inform Your Honor that the parties have scheduled a mediation in this action. The parties have selected retired United States District Court Judge Nicholas Politan as the mediator. The mediation has been scheduled for October 11-12, 2006.

The parties have consulted with each other and believe that an adjournment of the current schedule would greatly increase the likelihood of a successful mediation. The defendants expect to complete production of documents within the first three weeks of August. The parties will then need time to study the documents and prepare written submissions in advance of the mediation on October 11, 2006. In addition, the defendants' insurance carrier will utilize this time period to analyze the facts bearing on insurance issues in order to be in a position to participate in the mediation.

In light of the scheduled mediation, the parties respectfully request that the Court amend its April 6, 2006 Scheduling Order (which we have attached to this letter for the Court's convenience) as follows:

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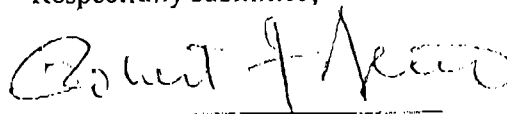
The Honorable Colleen McMahon
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<u>Task</u>	<u>Current Schedule (per April 6, 2006 Order)</u>	<u>[Proposed] Amended Schedule</u>
• Deadline to complete document production	July 31, 2006	August 21, 2006
• Deadline to complete mediation		October 13, 2006
• Deadline to complete fact discovery (depositions)	October 27, 2006	January 31, 2007
• Deadline to identify experts and submit expert reports	November 13, 2006	February 15, 2007
• Deadline to submit rebuttal or supplemental expert reports	December 1, 2006	March 2, 2007
• Deadline to complete expert discovery (depositions)	December 22, 2006	March 23, 2007

In the event the mediation is unsuccessful, the parties will be prepared, as reflected in the proposed schedule above, to expeditiously complete fact and expert discovery.

The parties have attached a draft order reflecting this revised schedule and appreciate the Court's consideration of this request.

Respectfully submitted,



Robert F. Scio

Gibson, Dunn & Crutcher LLP

Counsel for Defendants

GIBSON, DUNN & CRUTCHER LLP

The Honorable Colleen McMahon
July 27, 2006
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Sherrie R. Savett (c-1)

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Berger & Montague, P.C.

**Lead Counsel for Securities Class Action
Plaintiffs**

Robert I. Harwood (c-1)

Robert I. Harwood
Wechsler Harwood LLP

Counsel for Derivative Plaintiffs

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----x
IN RE VIECO INSTRUMENTS INC.
SECURITIES LITIGATION
-----x

MDL No. 7:05-MD-01695 (CM)

-----x
THIS DOCUMENT RELATES TO
ALL ACTIONS
-----x

**JOINT STIPULATION AND [PROPOSED] ORDER
TO REVISE PRETRIAL SCHEDULE**

Subject to approval by the Court, the parties in the above action hereby agree that fact discovery in the above action will be completed by January 31, 2007, and that expert discovery shall be completed by March 21, 2007, and also agree to the specific dates for discovery as set forth below.

On April 6, 2006, the Court ordered a pretrial schedule containing a fact discovery deadline of October 27, 2006, and an expert discovery deadline of December 22, 2006, in addition to other specific discovery dates. Since that time, and as described in a letter to the Court dated July 27, 2006, the parties have scheduled a mediation in this action for October 11-12, 2006. The parties believe that an adjournment of the current schedule would greatly increase the likelihood of a successful mediation, and have therefore sought a revision of the discovery deadline and pretrial schedule, and have agreed to the following proposed schedule:

1. Document production shall be completed by August 21, 2006, except with respect to documents that remain to be produced pursuant to outstanding motions or Orders of the Court.
2. The parties shall complete their mediation by October 13, 2006.

3. All Fact Discovery shall be completed by January 31, 2007.

4. The parties shall identify their experts and produce their expert reports by February 15, 2007.

5. Any rebuttal or supplemental reports shall be produced by March 2, 2007, with explanations as to which the contents were not included in the original report. Expert depositions shall ensue thereafter.

6. Expert Discovery shall be completed by March 23, 2007.

The parties shall make good faith attempts to resolve any discovery issues. By an Order of the Court dated October 7, 2005, Magistrate Judge Yanthis has been designated by the Court to resolve any discovery disputes.

This schedule may be modified by agreement of the parties for good cause with approval by the Court.

AGREED TO BY:

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*Lead Counsel for Lead Plaintiff Steelworkers
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Dated: July 27, 2006

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Dated: July 27, 2006

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Attorneys for Derivative Plaintiffs

Dated: July 27, 2006

IT IS SO ORDERED:

Dated: _____, 2006

Honorable Colleen McMahon
United States District Judge